



*Housing*

# San José Proposed Tenant Preferences to Fight Displacement

**Amigos de Guadalupe  
Community Meeting  
October 26, 2023**

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# Agenda

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- 🏠 Welcome
- 🏠 Introduction
- 🏠 Tenant Preferences background & purpose
- 🏠 Overview of Tenant Preferences Draft Framework
- 🏠 Q&A



# Tenant Preferences that Fight Displacement

- 🏠 A portion of affordable apartments in certain housing properties will be set aside for applicants eligible for preferences
- 🏠 Lower-income applicants who qualify for preferences apply for affordable apartments
  - Should have a better chance of being accepted into an apartment due to the preference



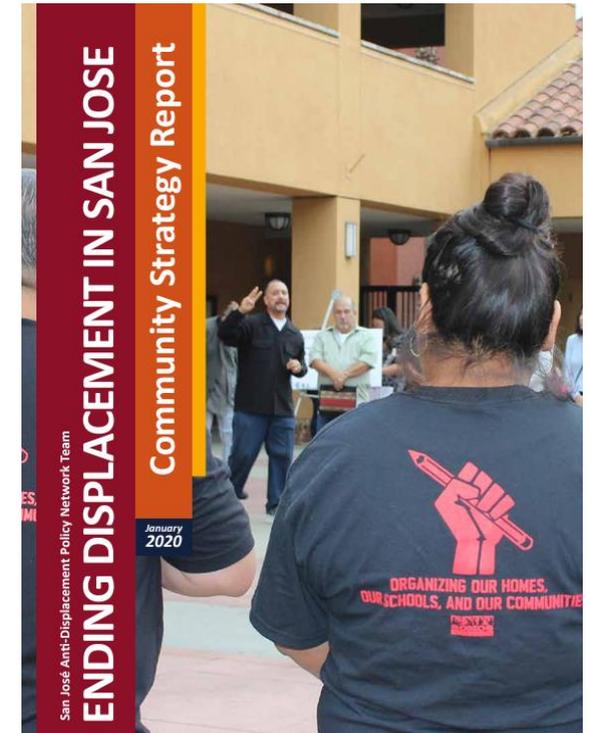
# Goals of Tenant Preferences

- Prevent displacement of lower-income renters
- Increase likelihood that low-income renters stay in San José
- Make best use of scarce publicly-funded affordable housing
- Increase fair housing choices for current residents



# Tenant Preferences: History

- 🏠 City Council direction in 2017
- 🏠 A priority in the Community Report on Ending Displacement in San José
- 🏠 Prioritized by community groups and stakeholders
- 🏠 Included in the Citywide Anti-Displacement Strategy (adopted 2020)
- 🏠 Included in the Housing Element 2023-2031 as required program work
- 🏠 Informed by other cities' preferences and fair housing law



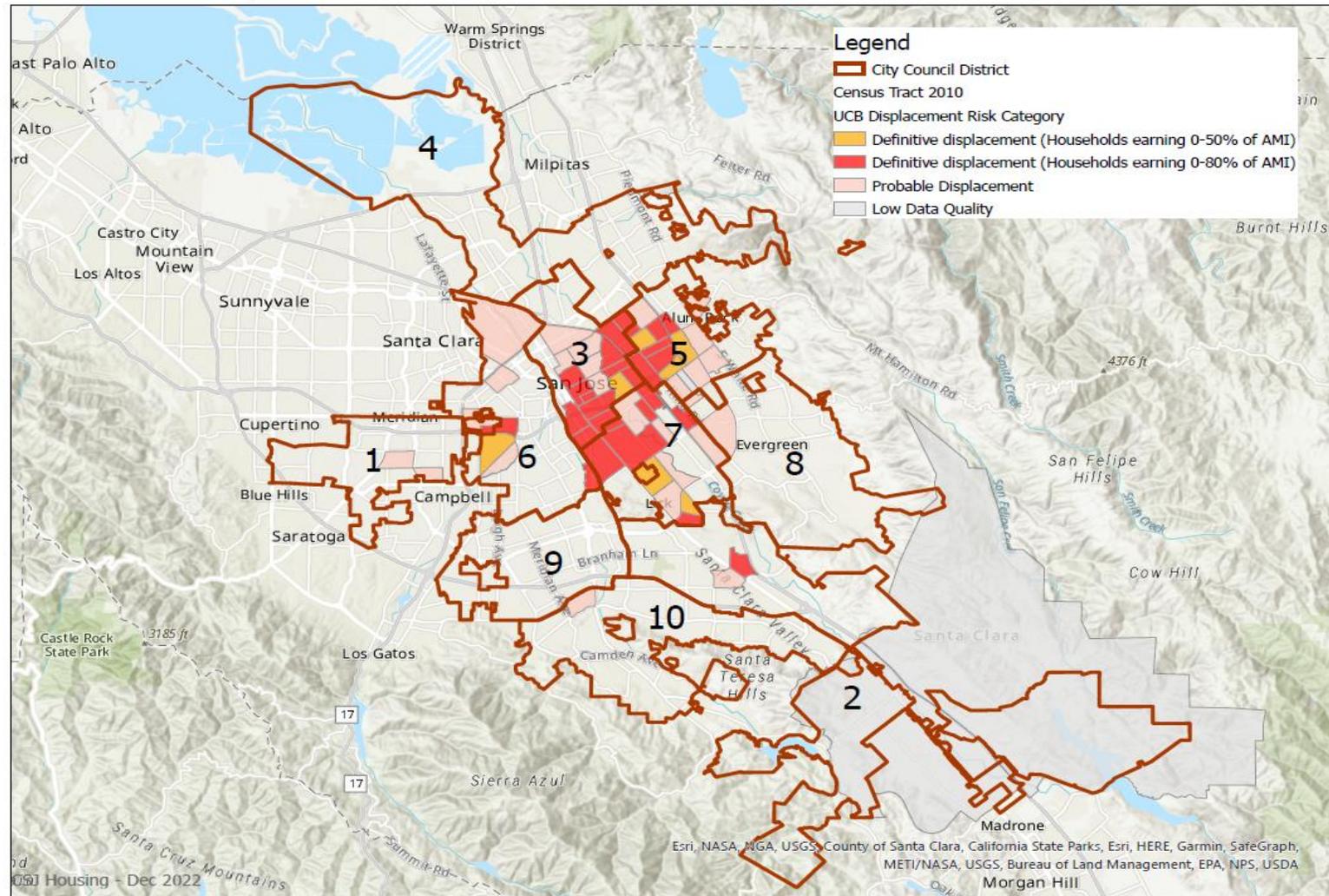
# Requirements to Create Tenant Preferences

- **Analysis conducted for Fair Housing requirements**
  - Anti-Displacement: Race, Disability, Family Size, Women HOH, Veteran Status, Seniors (protected classes)
  - Neighborhood: 1-mile, 2-mile, Council District for all Races
- **State Housing & Community Development (HCD) requirements & SB 649**
  - State Senate Bill 649 (2021)
  - HCD: Approve tenant preferences proposals after reviewing analyses
- **City Council approval**



# Displacement Tract Maps

UC Berkeley CA Estimated Displacement Risk Model - June 2022 - San José Census Tracts



# Two Proposed Preferences to Fight Displacement

## 1. Citywide Anti-Displacement Tenant Preference

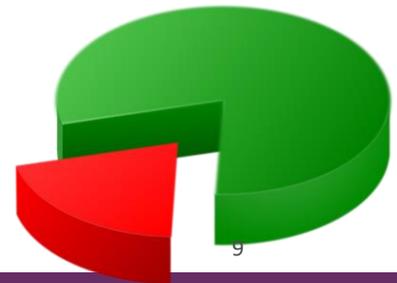
- **Definition:** Requires a portion of affordable apartments in subject properties be reserved/prioritized for applicants from definitive or probable displacement areas
- **Applicants:** Lower-income ( $\leq 80\%$  AMI), currently living in Census tract categorized as having definitive or probable displacement
- **Affordable properties:** New and existing properties throughout San José



# Two Proposed Preferences to Fight Displacement

## 2. Neighborhood Tenant Preference

- **Definition:** Requires a portion of affordable apartments in subject properties be reserved/prioritized for applicants who already live in the same City Council District of the property
- **Applicants:** Lower-income ( $\leq 80\%$  AMI), currently living in same City Council district as subject property
- **Affordable properties:** New and existing properties in San José in same City Council district as preferenced applicant



# Proposal: Which properties would qualify?

## 🏠 Types of properties

- City-funded affordable housing – new construction and acq/rehab
- Existing City-funded affordable deals
  - Worked in on a deal-by-deal basis as documents get updated
- Properties with City-negotiated agreements (e.g., Development Agreements)
- Does include senior housing
- Does not include restricted affordable units for special populations
- Does not include affordable apartments without City funding

## 🏠 Phase-in

- All subject properties 'in process' by the effective date of the approved ordinance



# Proposal: Which apartments have preferences?

## 🏠 Preferences apply to

- Up to a total of 35% of all restricted affordable apartments otherwise available to the general public in a subject property
  - No more than 15% of units for Neighborhood Preference
  - 20%+ of units for Anti-Displacement Preference

## 🏠 Set-aside proportions are limited by Fair Housing Disparate Impact Analysis results

- City staff will update analysis periodically to update preference set-asides



# Proposal: What would the City do?

## 🏠 Housing Department would:

- Integrate preferences into online tenant application portal (Doorway): <https://housing.sanjoseca.gov/listings>
  - Explanation of preferences
  - Geocoding of Census tracts for both preferences
- Place preferences into new and modified properties' loan documents
- Create manual for property managers
- Inform the public about the program, with partners



# Proposal: What would property managers do?

## 🏠 Property managers would:

- Receive list of applicants through Doorway
- Apply the tenant preferences to 35% of the general affordable apartments in the property
- Advertise openings
- Qualify applicants, including those eligible for one or both preferences
  - Income eligibility
  - Applicant's current address in displacement Census tract and/or same Council District as the property
  - Will accept alternative documentation



# Proposal: How would the applicant apply?

## 🏠 A San José resident would:

- Apply for a specific property that is accepting applications
  - On Doorway tenant portal (English, Spanish, Vietnamese, and Chinese)
  - Or in paper application
- Provide current residential address, household size, and income, with evidence
- Read about the tenant preferences they qualify for and automatically be selected for those preferences by Doorway
  - Can opt-out of tenant preferences they qualify for, if they choose
  - Applicants qualifying for both preferences would be placed higher on the priority list
- Be placed on property managers' qualified tenant preferences list(s)
- When called for full application screening, provide documentation



# Proposal: Engagement & Education

- 🏠 Create materials for community distribution
  - 🏠 Audience: community partners
  - 🏠 Target locations: public sites (libraries, City buildings), affordable housing sites
- 🏠 Hold information sessions with property managers post-adoption
- 🏠 Make community presentations at or near new affordable sites that will accept tenant preferences



# Next Steps

- 🏠 Summer/Fall 2023: Present draft framework to property owners and managers, stakeholders, and the public
  - Hold public meetings in August
  - Make presentations to stakeholders
  - Revise framework based on feedback
- 🏠 September - December 2023: Present to public bodies
  - Housing and Community Development Commission: 9/14/2023
  - Community and Economic Development Committee: 11/27/2023 (est.)
  - City Council: date TBD
- 🏠 January 2024: Test tenant preferences feature in Doorway
- 🏠 Early 2024 (est.): Ordinance in effect



# Q&A





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# Thank You!

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Tenant Preferences Webpage: <https://bit.ly/tenantpreferences>  
Sign-up for emails: <https://bit.ly/SJHousingEmails>